

DEPARTMENT OF FINANCE BILL ANALYSIS

AMENDMENT DATE: Original
POSITION: Oppose

BILL NUMBER: AB 2220
AUTHOR: Gatto, Mike
RELATED BILLS: AB 65 (Gatto, 2011)

BILL SUMMARY: Elections: statewide ballot pamphlet.

This bill would, except as specified, require disclaimer language to be included in the Legislative Analyst's Office (LAO) state ballot pamphlet summary statement for initiatives that would increase revenues for specific programs.

FISCAL SUMMARY

The Secretary of State (SOS) reports that this measure would add information to the state ballot pamphlet. It is difficult to determine whether this measure would increase the number of pages in the pamphlet by adding specified language for each initiative that provides increased revenues to fund new or existing programs. There are a number of variables that determine the size of the pamphlet, including, but not limited to, the number of measures, the length of the measures, and the length of LAO analyses. The average cost to print and mail the pamphlet is approximately \$66,000 per page. The pamphlet is formatted in 16-page increments. Over the past six statewide elections, the pamphlet has had between two and nine blank pages available. To the extent that a new increment would be needed as a result of this bill, it would cost approximately \$1.1 million General Fund (\$66,000 x 16 pages).

The LAO indicates that any costs resulting from this bill would be minor and absorbable within existing resources.

COMMENTS

The Department of Finance is opposed to this bill because it could result in additional General Fund (GF) costs that are not included in the Administration's current fiscal plan.

This bill is substantially similar to AB 65 (Gatto, 2011), which was vetoed by Governor Brown because it would have increased GF costs.

Existing law requires the LAO:

- To prepare an impartial analysis of each initiative measure to appear on the ballot.
- To prepare an unbiased fiscal analysis of a measure that is included in the state ballot pamphlet stating whether the measure would increase or decrease any revenue or cost to state or local government.
- To prepare a summary statement, to be included in the state ballot pamphlet, regarding the general meaning and effect of "yes" and "no" votes on each state measure.

Analyst/Principal (0222) J.Carosone	Date	Program Budget Manager Lisa Ann Mangat	Date
Department Deputy Director		Date	
Governor's Office:	By:	Date:	Position Approved _____ Position Disapproved _____
BILL ANALYSIS			Form DF-43 (Rev 03/95 Buff)

BILL ANALYSIS--(CONTINUED)**Form DF-43****AUTHOR****AMENDMENT DATE****BILL NUMBER**

Gatto, Mike

Original

AB 2220

COMMENTS (continued)

This bill would require the certain language to be included in the LAO summary statement for initiatives that provide for an increase in revenues to fund new or existing programs .

This bill would exempt initiatives that provide that the increase in revenues is to be deposited without restriction into the General Fund, as specified, or that allows the Legislature to reallocate the revenues.

According to the author's office, voters often lack the understanding that revenue streams created through the initiative process are earmarked for programs specified in the initiative and cannot be shifted to any other programs, even during difficult budget times. This bill would help make this clear to voters.

The Political Reform Act (Act), an initiative measure, provides that the Legislature may amend the Act to further the Act's purposes upon a 2/3 vote in each house and compliance with specified procedural requirements (unless the amendments only add information to the state ballot pamphlet). This bill would add information to the ballot pamphlet and would require only a majority vote.

Code/Department Agency or Revenue Type	SO	(Fiscal Impact by Fiscal Year)							
	LA	(Dollars in Thousands)							
	CO	PROP					Fund		
	RV	98	FC	2011-2012	FC	2012-2013	FC	2013-2014	Code
0890/Secty State	SO	No		-----	See Fiscal Summary	-----			0001
0130/Joint Exp	SO	No		-----	No/Minor Fiscal Impact	-----			0001